



Request for City Council Committee Action from the Department of Public Works

Date: February 25, 2014

To: The Honorable Kevin Reich, Chair, Transportation & Public Works Committee

Referral To: The Honorable John Quincy, Chair, Ways & Means Committee

Subject: **2014 Resurfacing Program – 51st Av N Project No. 5257: Public Hearing**

Recommendation:

A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$59,316.25 for the 51st Av N Street Resurfacing Project No 5257.

B. Pass a Resolution requesting the Board of Estimate and taxation to issue and sell assessment bonds in the amount of \$59,320 for the 51st Av N Street Resurfacing Project with the bonds to be paid for from special assessments.

Previous Directives:

- January 23, 2014 Council resolution 2014R-012 designating the locations and streets to be improved.
- November 12, 2013 Council resolution 2013R-509 establishing the 2014 Uniform Assessment Rates.

Department Information:

Prepared by: Suzette Hjermstad, Supervisor, PW Special Assessment Office 643-2401
Michael D. Kennedy, P.E. Director, Transportation, Maintenance & Repair

Approved by: _____
Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Michael D. Kennedy, P.E. Director, Transportation, Maintenance & Repair

Financial Impact

Special assessments against benefited properties.

Community Impact

Neighborhood Notification: Public hearing notices mailed to benefited property owners

Neighborhood Meetings: Pre-public hearing meeting held on February 18, 2014

City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city

Supporting Information

Background

On January 23, 2014, the City Council designated the locations, streets and improvements proposed to be made in the 51st Av N neighborhood. The cost estimate for this project is \$174,408 and is financed by net debt bonds and special assessments.

The location of the 51st Av N street resurfacing project is from Xerxes Av N to Oliver Av N.
Fifty-first Av N from Xerxes Av N to Queen Av N is MSA Route No 378.
Fifty-first Av N from Queen Av N to Oliver Av N is a local city street.
Fifty-First Av N at these locations was last paved in 1965.

The street resurfacing will be a mill and overlay of the street surface with plant mix asphalt and other paving related improvements as needed. This paving project is scheduled to begin in spring 2014 and will be constructed by the City's workforce.

Special Assessments

The street resurfacing special assessments were determined by applying the 2014 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The approved 2014 resurfacing rates are:

\$0.60/sq. ft. – Non-Residential

\$0.20/sq. ft. – Residential

The proposed total assessment amount is \$59,316.25 for the 51st Av N project. Individual assessments of more than \$150 would be collected over 5 years beginning on the 2015 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. Assessments of \$150 or less would be collected in their entirety on the 2015 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. Information has been provided in the notices as to how persons may prepay the special assessments in full without interest if they choose.

City Council has passed resolutions whereby a deferment of special assessments may be obtained by showing hardship for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability.

Attachments – Map

Cc: Council Member Barbara Johnson, Ward 4
Jack Qvale, Secretary, Board of Estimate and Taxation

T&PW & W&M – Your Committee recommends passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the 2014 Resurfacing Program, 51st Av N Street Resurfacing Project, Special Improvement of Existing Street No. 5257.

2. Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the 51st Av N Street Resurfacing Project.

Reich

2014 STREET RESURFACING PROGRAM

**FIFTY-FIRST AV N STREET RESURFACING PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5257**

**Ordering the work to proceed and adopting the special assessments for the
51st Av N Street Resurfacing Project.**

Whereas, a public hearing was held on February 25, 2014 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2014R-012, passed January 23, 2014 to consider the proposed special assessments as on file in the Office of the City Clerk and to consider all written and oral objections and statements regarding the proposed improvements and the proposed special assessments;

Now Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the City Engineer is hereby ordered to proceed and do the work as designated in said Resolution 2014R-012, passed January 23, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$59,316.25 for the 51st Av N Project No 5257 Street Resurfacing Project as on file in the office of the City Clerk be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments of more than \$150 may be paid shall be fixed at five (5) and that the interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2015 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessments of \$150 or less may be paid shall be fixed at one (1) and that the interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to be on the 2015 real estate tax statements.

Reich and Quincy

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$59,320 for certain purposes other than the purchase of public utilities.

Resolved by the City Council of the City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed costs of street improvements in the 51st Av N Street Resurfacing Project, Special Improvement of Existing Street No. 5257, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collected in five (5) successive annual installments, payable in the same manner as real estate taxes.